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STATE EXHIBIT NO. 3
DOCKET NO. 04-960

J. William Fleming

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September 22, 2004

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When calling relative to this
matter, refer to file No. 1192

Honorable James H. Welsh
Commissioner of Conservation
Office of Conservation
P. O. Box 94275
Baton Rouge, Louisiana 70804-9275

RE: **Hosston L Sand**
Simsboro Field
Jackson Parish, Louisiana

APPLICATION FOR PUBLIC HEARING

Dear Sir:

Will-Drill Production Co., Inc. hereby makes application pursuant to the revised rules of procedure for a public hearing to consider evidence relating to the following matters pertaining to the Hosston L Sand in the Simsboro Field, Jackson Parish, Louisiana:

1. To establish one (1) additional drilling and production unit for the exploration for and production of gas and condensate from Hosston L Sand in the Simsboro Field, Jackson Parish, Louisiana, to be designated HOSS L SU26 as outlined on the plat attached hereto and made a part hereof;
2. To force pool and integrate all of the separately owned tracts, mineral leases and other property interests within the proposed unit for the Hosston L Sand in accordance with Section 10, Title 30, of the Louisiana Revised Statutes of 1950 with each tract sharing in unit production on a surface acreage basis of participation;
3. To designate Will-Drill Production Co., Inc. as operator of, and to designate the Will-Drill Production Co., Inc - Shriner's Hospital No. 2 Well as the unit well for, HOSS L SU26, at the location shown on the attached plat

Commissioner of Conservation
September 22, 2004
Page 2

in exception to existing field rules for the Hosston L Sand in the Simsboro Field;

4. To extend existing field rules to the proposed unit, except to the extent inconsistent herewith; and
5. To consider and cover such other matters as the Commissioner of Conservation may deem appropriate and necessary under the circumstances.

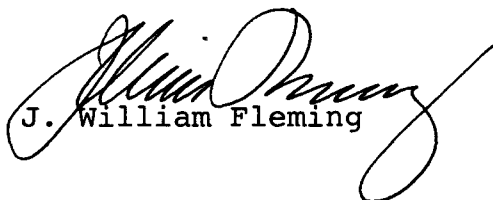
The Hosston L Sand in the Simsboro Field, Lincoln Parish, Louisiana, was fully defined in Office of Conservation Order No. 222, effective December 4, 1951. The proposed unit is located in Jackson Parish, Louisiana.

Any pertinent data relating to this matter can be obtained, at the cost of the requesting party, from Mr. Mike Fulford, Will-Drill Production Co., Inc., 416 Travis Street, Suite 1200, Shreveport, Louisiana 71101, telephone number (318) 222-7464.

The attached list includes the names of all Interested Owners, Represented Parties and Interested Parties known to Applicant after a diligent search. A copy of this application, with plat attached, is being sent to each such party. Pursuant to Office of Conservation regulations, such list of parties is being furnished only to the Commissioner of Conservation and to the District Manager of the Shreveport District of the Office of Conservation; however, the list of parties will be provided to any person requesting a copy of it. Also enclosed is the application fee.

Yours very truly,

COOK, YANCEY, KING & GALLOWAY


J. William Fleming

jwf:s
Enclosures

cc: Mr. Jim Broussard, District Manager
Interested Owners, Represented
Parties and Interested Parties
Mr. Mike Fulford
Mr. Currie Smith

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